



## STATE OF ALABAMA

### Department of Industrial Relations

#### “ENHANCEMENT” Program Extension

This bill would extend the “Enhancement” Program through March 31, 2006. The Program currently ends on March, 2004.

Background: The Employment Security Enhancement Bill, H.B. 599, ACT 00-456 was passed during the 2000 Regular Session extending the program until March 2004.

Previously, House Bill 322, was passed by the Legislature during the Regular Session of 1995, and signed into law extending the program until March 31, 2002. This was essentially the same law as passed by the Legislature during the Regular Session of 1992 for a five-year period and a previous law approved in 1988 which was effective for the years 1989 through 1991.

#### Major Provisions:

- DOES NOT INCREASE EMPLOYER TAXES
  - Assess .06% against wages by certain employers
  - Reduce .06% in rates of UC contributions by certain employers
- Supplements federal grants for Employment Security activities and provides stability for maintenance and operation of statewide local office network
- Conducts Claimant Assistance Program to help UI claimants find jobs more quickly, thus creating large savings of benefits for the State Unemployment Trust Fund.
  - Services provided: job referral, job development, job search workshops, resume preparation, job search planning
- Some of the expenditures are used by UC to cover such costs as collection and accounting for revenues